

MILITARY DEPARTMENT
OFFICE OF THE ADJUTANT GENERAL
9800 Goethe Road - P.O. Box 269101
Sacramento, California 95826-9101



CAJS-J1-SP

18 September 2009

MEMORANDUM FOR All State Civil Service Employees and State Active Duty Service Members

SUBJECT: State Personnel Policy Memorandum 2009-14
Health Benefits Open Enrollment

1. Open enrollment provides the opportunity for each employee and service member to enroll in a CalPERS health program, change plans and add eligible family members.
2. The annual open enrollment period for Health Benefits begin 14 September and ends 9 October 2009. All open enrollment documents must be signed and submitted to the State Personnel Office by 10 October 2009. All actions taken become effective 1 January 2010.
3. Each employee and service member should have received the CalPERS Open Enrollment New 2009 booklet and their individualized 2009 Health Plan Statement. Carefully review your personalized information on your *Health Plan Statement*. If your enrollment information is correct, you do not need to take any action.
4. Kaiser Permanente is eliminating their chiropractic benefits and increasing their co-payments for 31-100 day supply of drugs. PERS Select/Choice/Care is expanding their benefits for transplants. There is no change to the providers or customer service telephone numbers.
5. The attached enclosures outline the 2010 Health Premium Rates and the 2010 Employer Health Benefit Contributions. For more information or enrollment documents please go to www.calpers.ca.gov.
6. State Civil Service employees may direct your questions to Barbara Appel at (916) 854-3717 and State Active Duty members may direct your questions to SGM Shannon Baptiste at (916) 854-3805 or SSG Bonnie Howland at (916) 854-3531.

FOR THE DIRECTOR, JOINT STAFF:

Jeffrey W. Magram (18 Sep 09)

JEFFREY W. MAGRAM
Lieutenant Colonel, CA ANG
Director, State Personnel Programs

Enclosure
As Stated

DISTRIBUTION:
A, F and M

DEPARTMENT OF PERSONNEL ADMINISTRATION ARNOLD SCHWARZENEGGER, Governor
MEMORANDUM



ATTACHMENT A

DATE: September 2009

TO: State Employees Eligible for Dental, FlexElect, or Consolidated Benefits

FROM: **Department of Personnel Administration
Benefits Division**

SUBJECT: 2009 Open Enrollment for Dental, FlexElect, and Consolidated Benefits Programs, 2010 Dental and Vision Plan Premiums, and 2010 CoBen Allowance Amounts

Open Enrollment for Dental, FlexElect, and Consolidated Benefits (CoBen) is September 14, 2009 through October 9, 2009. If you want to enroll in these benefit programs, or make a change to your current enrollment, contact your Personnel Office for the necessary forms.

Open enrollment forms must be signed and submitted to your Personnel Office no later than October 9, 2009. All open enrollment actions will be effective January 1, 2010.

You don't need to submit anything if you're not making any changes in your dental coverage or cash options. Permanent Intermittent employees who want to continue receiving the cash option must re-enroll. If you have a FlexElect reimbursement account and want to participate again next year, you need to re-enroll during open enrollment.

If you enroll in a FlexElect Reimbursement Account, FlexElect Cash Option, or CoBen Cash Option during the open enrollment period, or if you are automatically re-enrolled in the FlexElect/CoBen Cash Option, you have until December 31, 2009, to cancel your enrollment or make changes.

DENTAL BENEFITS

Your dental plan options are listed on page 2. Contact your Personnel Office for a brochure, list of participating dentists, and cost comparison, or call the dental plans. You may also obtain brochures and listings of participating dentists by accessing each plan's Web site at the addresses listed on page 2.

Retroactive premiums for mandatory cancellations and/or deletions to your dental coverage will be reimbursed for a maximum period of six months. This limitation impacts all mandatory cancellations and/or deletions to your State-sponsored dental coverage. You may want to check your dental coverage enrollment through your Personnel Office to ensure that only eligible dependents are enrolled.

Delta Dental Plans

Delta Premier and Delta Preferred Provider Option (PPO) 1-800-225-3368
www.deltadentalca.org/state

Prepaid Dental Plans

DeltaCare USA 1-800-422-4234
www.deltadentalca.org

SafeGuard Dental Plan 1-800-880-1800
www.safeguard.net

The following charts show Delta's dental premiums that go into effect January 1, 2010.

Delta Dental Premier Basic Plan for Represented Employees:

Coverage	2010 Total Premium	2010 State Share	2010 Employee Share	2009 Employee Share	Employee Share Increase
Employee only	\$51.87	\$38.90	\$12.97	\$12.02	\$0.95
Employee plus one dependent	\$92.08	\$69.06	\$23.02	\$21.28	\$1.74
Employee plus two or more dependents	\$134.00	\$100.50	\$33.50	\$30.94	\$2.56

Delta Dental Premier Enhanced Plan for Excluded Employees:

Coverage	2010 Total Premium
Employee only	\$54.04
Employee plus one dependent	\$108.32
Employee plus two or more dependents	\$152.97

Delta Dental Preferred Provider Option (PPO) for Excluded and Represented Employees:

Coverage	2010 Total Premium	2010 State Share	2010 Employee Share	2009 Employee Share	Employee Share Increase
Employee only	\$44.07	\$33.05	\$11.02	\$10.22	\$0.80
Employee plus one dependent	\$87.23	\$65.42	\$21.81	\$20.16	\$1.65
Employee plus two or more dependents	\$132.08	\$99.06	\$33.02	\$30.50	\$2.52

Prepaid Dental Plan 2010 Premiums

Premiums for DeltaCare USA will remain the same in 2010. Premiums for SafeGuard will increase for 2010. The State will continue to pay 100 percent of the premium for employees not in CoBen. For employees in CoBen, the State's share and employee's share do not apply. Therefore, the total dental premium will be deducted from the monthly CoBen allowance on their December 31, 2009, pay warrants (December 2009 pay period). Prepaid dental plan premiums are reflected below.

Coverage	SafeGuard Standard	SafeGuard Enhanced	DeltaCare USA
Employee only	\$16.58	\$16.92	\$17.35
Employee plus one dependent	\$26.86	\$28.63	\$28.47
Employee plus two or more dependents	\$37.62	\$35.27	\$39.38

Union-Sponsored Dental Plans: Bargaining Units 5 and 6

The California Association of Highway Patrolmen (CAHP) offers its own indemnity dental plan to BU 5 employees who are CAHP members; however, members may opt to enroll in a State-sponsored prepaid plan. The California Correctional Peace Officers Association (CCPOA) provides dental insurance to BU 6 employees who are CCPOA members.

Employees in BU 5 and 6 should contact their Benefit Trust for information on their union-sponsored dental plan premiums and benefits.

CONSOLIDATED BENEFITS

All excluded employees and employees represented by BUs 2, 7, 8, 16, 17, 18, and 19 are in CoBen. The State provides you a benefit allowance to purchase health, dental, and vision benefits. If the total cost of the plans you choose is less than your CoBen allowance, the employee will receive the difference as taxable income. If the total cost of the plans is more than the CoBen allowance, the difference is deducted from your pay warrant pre-tax.

As of the date of this memo, the following rates will be effective January 1, 2010. However, the collective bargaining process is fluid and changes may be agreed to which alter these amounts. DPA will notify departments if there are subsequent changes to these rates. Please be advised that as of the date of this notice, many union contracts have expired and these rates may be subject to change through the collective bargaining process and are subject to Budget approval. Although we anticipate that these will be the final rates, any future changes will be posted to DPA's Web site at www.dpa.ca.gov.

Health Dependent Vesting Criteria and Employee CoBen Allowance Amounts

New employees who have never had State health benefit coverage may be subject to health dependent vesting. Employees in bargaining units that have contracted for health dependent vesting are provided with 50 percent of the employer dependent contribution the first 12 months, and 75 percent of the employer dependent contribution for months 13 through 24. After 24 months, these employees will receive the full employer dependent contribution applicable to their bargaining unit. Please refer to the appropriate collective bargaining agreement for specific criteria for determining if you are subject to health dependent vesting.

Following are the CoBen allowance amounts effective January 1, 2010, for employees in BUs 2, 7, 8, 16, 17, 18, and 19.

The CoBen allowances for BU 2 employees who are not subject to health dependent vesting are as follows:

Unit 2	<u>2010</u>
Employee only	\$439
Employee plus one Dependent	\$836
Employee plus two or more dependents	\$1,084

The CoBen allowances for BU 2 employees who are subject to health dependent vesting are as follows:

Unit 2	50% Vesting <u>2009</u>	75% Vesting <u>2009</u>
Employee only	\$439	\$439
Employee plus one Dependent	\$651	\$744
Employee plus two or more dependents	\$790	\$937

The CoBen allowances for BU 7 and 18 employees who are not subject to health dependent vesting are as follows:

Units 7 and 18	<u>2009</u>
Employee only	\$416
Employee plus one Dependent	\$813
Employee plus two or more dependents	\$1,061

The CoBen allowances for BU 7 and 18 employees who are subject to health dependent vesting are as follows:

Units 7 and 18	50% Vesting <u>2009</u>	75% Vesting <u>2009</u>
Employee only	\$416	\$416
Employee plus one Dependent	\$628	\$721
Employee plus two or more dependents	\$767	\$914

The CoBen allowances for BU 16, 17, and 19 employees who are not subject to health dependent vesting are as follows:

Units 16, 17, and 19	<u>2010</u>
Employee only	\$441
Employee plus one dependent	\$865
Employee plus two or more dependents	\$1,134

The CoBen allowances for BUs 16, 17, and 19 employees who are subject to health dependent vesting are as follows:

Units 16, 17, and 19	<u>50% Vesting 2009</u>	<u>75% Vesting 2009</u>
Employee only	\$441	\$441
Employee plus one dependent	\$668	\$767
Employee plus two or more dependents	\$818	\$976

The following CoBen Unit does not have health dependent vesting:

Unit 8	<u>2010</u>
Employee only	\$466
Employee plus one Dependent	\$890
Employee plus two or more dependents	\$1,158

The CoBen allowance for Excluded employees is determined by DPA. Effective January 1, 2010, the CoBen allowances for all excluded employees are as follows:

	<u>2010</u>
Employee only	\$468
Employee plus one dependent	\$902
Employee plus two or more dependents	\$1,172

If you have health and dental coverage through another source, you may enroll in the CoBen Cash Option. These amounts are \$155 a month in-lieu of health and dental coverage, and \$130 a month in-lieu of health coverage only. To enroll in a CoBen Cash Option, complete a Consolidated Benefits (COBEN) Cash Enrollment Election (STD. 702) form during open enrollment.

For details, refer to the 2010 CoBen handbook that will be available and can be downloaded from DPA's Web site at www.dpa.ca.gov (click on Publications).

CoBen Calculator

If you are going to make a change in your benefit choices during the open enrollment period, you may want to use the CoBen calculator on DPA's Web site, which will help them determine how much will be deducted from your paycheck, or added to it, based on which health and dental plans you choose. Simply click on health and dental plan choices, and how many dependents will be covered. The calculator automatically computes the total cost of the benefits you select and subtracts them from the CoBen allowance. The result shows whether you will have a monthly benefit deduction or receive extra cash. There are two separate calculators, one for excluded employees and another for rank and file employees in BUs 2, 7, 8, 16, 17, 18, and 19. The CoBen calculator is located at www.dpa.ca.gov (click on Benefits and then click on Consolidated Benefits).

FLEXELECT

If you have health and/or dental coverage through another source, you can opt for cash in-lieu of your State-sponsored benefit. The FlexElect Cash Option is \$128 a month for health and \$12 a month for dental. To enroll in FlexElect Cash Option, complete a Cash Option Enrollment Authorization (STD. 701C) form during open enrollment. FlexElect also offers reimbursement accounts that allow you to use pre-tax salary to pay for dependent care and/or medical care that aren't covered by insurance. To enroll in a FlexElect

Reimbursement Account, complete a Reimbursement Account Enrollment Authorization (STD. 701R) form during open enrollment.

Effective January 1, 2010, the Third Party Administrator record keeper for the Flex Program will change from FBMC to Application Software Inc. (ASI). ASI can be contacted at 1-800-659-3035 or at P.O. Box 6044, Columbia, MO 65205-6044. Because of the 2.5 month grace period, 2009 plan participants who have a balance in their 2009 account must submit their claims for services up to March 15, 2010 to FBMC for payment. Once the 2009 account has been exhausted, submit all other claims for services in 2010 to ASI.

For details, refer to the 2010 FlexElect handbook that is available and can be downloaded from DPA's Web site at www.dpa.ca.gov (click on Publications).

VISION PROGRAM

The premium paid to Vision Service Plan (VSP) for vision coverage will remain at the current rate of \$9.19 and will continue to be fully paid by the State. State employees' vision coverage is automatically established for employees and their eligible dependents and no form is required to enroll, add, or delete dependents during open enrollment. Therefore, employees need to continue to ensure that only eligible dependents are provided services under their State-sponsored vision plan.

COBRA CONTINUATION COVERAGE ENROLLEES

COBRA enrollees have the same rights as active employees to make allowable changes to their coverage during the annual open enrollment period. Specific instructions will be sent to all COBRA enrollees in dental coverage by DPA Benefits Division prior to the beginning of the open enrollment period.

To learn more about Dental, FlexElect, and CoBen or for questions regarding the 2009 open enrollment period, please contact your Personnel Office. You may also visit DPAs Web site at www.dpa.ca.gov (click on Benefits).

Your Dental Plan Options

Prepaid Plans

DeltaCare USA and SafeGuard

Prepaid plans provide services through member dentists throughout California. (These plans are not available outside of California.)

Monthly premiums are fully paid by the State. You have no monthly premiums, deductibles, or maximum annual benefit limits. Many services are provided at low or no cost to you. You may change dentists upon request and/or change plans if you move and your plan is no longer available. If you need emergency dental work and are outside of your service area (50 miles from your residence), you may go to any dentist for the relief of pain and be reimbursed up to \$400 per calendar year. For more information or a list of member dentists, contact the plans at: DeltaCare USA 1-800-422-4234, or visit www.deltadentalca.org and SafeGuard 1-800-880-1800 or visit www.safeguard.net.

Indemnity Plan

Delta Dental Premier - Group #9949

Delta Premier features full access to specialty care and guaranteed benefits through member dentists. However, you can see any dentist worldwide and still be covered, although your out-of-pocket costs may be higher. For more information, contact Delta Dental at 1-800-225-3368 or visit www.deltadentalca.org/state.

Preferred Provider Option Plan

Delta Dental Preferred Provider Option (PPO) - Group #9946

Delta Preferred Provider Option (PPO) provides services through its network of participating dentists, although you may use non-PPO dentists worldwide. If you receive services outside of the PPO network, your out-of-pocket costs will be substantially higher. Please note that not all Delta Premier dentists are members of the PPO network; however, you can see the Delta dentist of your choice and still be covered.

As a reminder of certain advantages in being enrolled in the PPO dental plan, your treatment costs are based on a discounted fee agreement between Delta and the PPO provider. This fee agreement will result in lower out-of-pocket costs to you when you visit a PPO network dentist. Additionally, for rank and file employees, the annual maximum benefit available to dependents is \$2,000 when using a dentist who's a member of the PPO network, compared to a \$1,000 yearly maximum under Delta Premier. PPO offers a \$2,500 lifetime benefit for dental implants and a third cleaning for high-risk patients. Generally, high-risk patients include pregnant women, cancer chemotherapy patients, and persons with compromising systemic diseases such as diabetes, AIDS, or endocarditis, and persons who have had organ transplants. Your present dentist may be a PPO provider so you may want to change your coverage to the PPO to take advantage of this richer benefit.

For more information, contact Delta Dental at 1-800-225-3368 or visit www.deltadentalca.org/state.

These are brief descriptions of the available dental plans. Please consult each plan's "Evidence of Coverage" brochure or call the plan for a more detailed explanation. You may also obtain brochures and listings of participating dentists by accessing each plan's Web site at the addresses listed above.

State-Sponsored Dental Plans Benefit Cost Comparison

The following chart provides a comparison of your costs for certain types of procedures. Please consult each dental plan's Evidence of Coverage brochure for detailed information and plan limitations.

For these procedures:	Delta Dental				SafeGuard DeltaCare USA	SafeGuard
	Premier Basic		Premier Enhanced	Preferred Provider Option (PPO) **	Standard	Enhanced***
	Rank and File Employees	Dependents of Rank and File Employees	Excluded Employees and Dependents	Excluded & Rank and File Employees and Dependents	Excluded & Rank and File Employees and Dependents	Excluded Employees and Dependents
Diagnostic and Preventive Benefits (Two cleanings per 12 month period) *	0	0	0	0	0	0
Basic Benefits (Usual, Customary, and Reasonable)	10%	20%	10%	10%	0	0
Crowns	20%	50%	20%	20%	\$50	0
Bridges, Full & Partial Dentures	50%	50%	50%	40%	\$65 and up	0
Annual Deductible	\$50*	\$50*	\$25*	\$25*	No deductible	No deductible
Maximum Deductible	\$150 per family		\$100 per family	\$100 per family	N/A	N/A
Orthodontia	Delta will pay 50% up to a lifetime maximum of \$1,000 per person.			Delta will pay 50% up to a lifetime maximum of \$1,000 per adult and pay 50% up to a lifetime maximum of \$1,500 per child.	\$1,000 plus up to \$250 for start-up costs	\$1,000 plus up to \$250 for start-up costs
Annual Maximum	\$2,000	\$1,000	\$2,000	\$2,000	No Maximum	No Maximum

* Diagnostic and Preventive Benefits are exempt from the deductible.

** The level of benefits and covered services reflected in the chart are based on services provided by a PPO Network dentist. The level of benefits and covered services provided by a non-PPO dentist are lower. Additionally, the PPO includes up to a \$2,500 lifetime benefit for dental implants and a 3rd cleaning for high-risk patients. High-risk patients include: pregnant women, cancer chemotherapy patients, and persons with compromising systemic diseases such as AIDS, diabetes, endocarditis, or persons who have had organ transplants.

*** The SafeGuard enhanced coverage provides for three cleanings per 12-month calendar year service period instead of the normal two cleanings. Excluded employees and their dependents have the enhanced coverage under SafeGuard. Rank and File employees and their dependents have the standard coverage under SafeGuard.

**DEPARTMENT OF PERSONNEL ADMINISTRATION
BENEFITS DIVISION**

Dental and Vision Plan Premiums Effective January 1, 2010

<u>Carrier/Address</u>	<u>Group Number</u>	<u>Deduction Codes</u>	<u>1 Party</u>	<u>2 Party</u>	<u>3 Party</u>
<u>State-Sponsored Dental Plans</u>					
Delta Dental P.O. Box 429086 San Francisco, CA 94142 1-800-225-3368	9949-Excluded (DeltaPremier) 9949-Rank and File (DeltaPremier) 9946-Excluded & Rank and File (PPO)	351-008 351-007 351-018	\$54.04 \$51.87* \$44.07**	\$108.32 \$92.08* \$87.23**	\$152.97 \$134.00* \$132.08**
SafeGuard 95 Enterprise, Ste. 200 Aliso Viejo, CA 92656 1-800-880-1800 Fax: (949) 471-2288	SOC Standard Plan SOC Enhanced Plan Parent Group. Number 156777	351-016 351-015	\$16.58 \$16.92	\$26.86 \$28.63	\$37.62 \$35.27
DeltaCare USA 12898 Towne Center Drive Cerritos, CA 90703 1-800-422-4234	2003	351-009	\$17.35	\$28.47	\$39.38
<u>Union Sponsored Dental Plans</u>					
CAHP/Blue Cross (R05) CCPOA/Primary Dental (R06) CCPOA/Western Dental (R06)	336817-A Fee-For-Service Prepaid	351-013 351-006 351-249	\$48.34*** \$95.93**** \$95.93****	\$85.39*** \$95.93**** \$95.93****	\$124.97*** \$95.93**** \$95.93****
<u>State-Sponsored Vision Plan</u>					
Vision Service Plan 3333 Quality Drive Rancho Cordova, CA 95670 1-800-877-7195	12020000	475-001-Non CoBen 475-002-CoBen	\$9.19 \$9.19	\$9.19 \$9.19	\$9.19 \$9.19

* Employee Share: 1 party - \$12.97 / 2 party - \$23.02 / 3 or more party - \$33.50

** Employee Share: 1 party - \$11.02 / 2 party - \$21.81 / 3 or more party - \$33.02

*** CAHP Employee Share (w/subsidy): 1 party - \$9.44 / 2 party - \$16.33 / 3 or more party - \$24.47

**** CCPOA Employee Share \$51.60

(R05 Employees' share for the DeltaPremier Plan is \$12.97/\$23.02/\$33.50 and \$11.02/\$21.81/\$33.02 for the PPO plan).
(Under CoBen the total premium is deducted from the benefit allowance).

(The dental/vision premiums above do not include the administrative fee of \$1.69/mo.).

**DEPARTMENT OF PERSONNEL ADMINISTRATION
BENEFITS DIVISION**

COBRA Group Continuation Coverage
Dental Plan Monthly Premiums Effective January 1, 2010

<u>Carrier/Address</u>	<u>Plan Type</u>	<u>Covered Persons</u>	<u>1 Party</u>	<u>2 Party</u>	<u>3 Party</u>
Delta Dental Mail STD. 692 to: Wolfpack Insurance Services, Inc. P.O. Box 833 Belmont, CA 94002-0833 1-800-296-0192	Enhanced	Excluded employees and their eligible dependents	\$55.12	\$110.49	\$156.03
	Basic	Rank and File employees	\$52.91	\$93.92	\$136.68
	Basic	Eligible dependents of Rank and File employees	\$45.16	\$68.49	\$90.10
	PPO	Excluded & Rank and File employees and their eligible dependents	\$44.95	\$88.97	\$134.73
SafeGuard Health Plans Attn: COBRA Billing P.O Box 30910 Laguna Hills, CA 92654 1-800-880-1800 Billing questions 949-471-2283 Fax (949) 471-2288	Standard	Rank and File employees and their eligible dependents	\$16.91	\$27.40	\$38.37
	Enhanced	Excluded employees and their eligible dependents	\$17.26	\$29.20	\$35.98
DeltaCare USA 12898 Towne Center Drive Cerritos, CA 90703 1-800-422-4234	Basic	Excluded & Rank and File employees and their eligible dependents	\$17.70	\$29.04	\$40.17
	Basic	Excluded & Rank and File employees and their eligible dependents	\$9.37	\$9.37	\$9.37
Vision Service Plan P.O. Box 997100 COBRA UNIT Sacramento, CA. 95899-7100 1-800-852-7600 Ext: 4636					

Refer to the Benefits Administration Manual (BAM) COBRA Section 400 for complete instructions on the completion and submission of COBRA documents.
These premium rates are 102% of current gross premiums.